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Redevelopment Board Minutes 10/27/2008

Arlington Redevelopment Board
Minutes of October 27, 2008

Members Present: Andrew West, Chair
Christopher Loreti, Vice Chair
Edward Tsoi
Roland Chaput
Bruce Fitzsimmons

Also Present: Kevin J. O'Brien
Joey Glushko

Andy West called the meeting to order at 7:00 pm. He introduced Doug Manz and Tom O'Brien (Managing Partner, Northeast Office) from JPI to discuss the status of the Symmes project. They indicated that they had their mezzanine loans in place and had contributed all capital, all they needed was a construction loan. They asked for an extension of the deadline by which they would have to show that they had construction financing to December 15th. They said that at that time they would either have financing, know when they would get financing, or would have to ask for a longer extension such as six months, and perhaps investigate other funding sources.

Chris Loreti expressed concern about the liens on the property. Tom O'Brien responded that by December 15 they would either have construction financing which would be used to pay them off or they would otherwise pay them off by that date. Chris Loreti indicated that he considered the building permit fees to be a similar project expense, and asked if JPI would be able to pay them by December 15th. Tom O'Brien responded that he knew the building permit fees were important to the Town and they would spend time with staff before that date to figure it out.

Bruce Fitzsimmons asked at what stage they were at with the lender. Tom O'Brien said that they had a term sheet and the bank was looking for a corporate guarantee. JPI is a \$2.5 billion entity with 1,000 employees and they are figuring out the guarantee participants. He added that the bank likes the project. Bruce Fitzsimmons asked how long it would take to close after they got a commitment. Tom O'Brien responded that it would take about 30 days.

Ed Tsoi asked if they could take advantage of lower construction costs. Doug Manz responded that the costs hadn't come down that much and would probably be offset by the higher cost of borrowing. Andy West expressed concern that if it takes 30 days to close, they don't have much time between now and December 15th. Tom O'Brien responded that they might have to ask for an extension at that date, but would know how long it would have to be. Bruce Fitzsimmons asked for more information on what they would do if they didn't have a commitment by December 15th. Tom O'Brien responded that at a minimum they would pay off the liens and then see where they could go from there, but they would need a long extension.

After some more discussion including members in the audience Bruce Fitzsimmons moved that the Board extend the deadline by which SRA must show evidence of construction financing to December 15, 2008 and the date by which all building permits must be obtained to December 19, 2008. Roland Chaput seconded the motion. Chris Loreti asked to add to the motion that the extension is contingent upon SRA agreeing that if they do not have financing by December 15, 2008, they will submit a plan by which they will eliminate all liens on the property and pay for all building permits. The proponents agreed to the addition and the motion was carried by a 5 to 0 vote.

Kevin O'Brien mentioned to the Board that his discussions with Doug Manz indicated that they may be returning the MOB parcel to the Town when its option runs out at the end of December. It is therefore necessary for the Board to agree on the legitimate expenditures that SRA has made on the site, which amount is to be subtracted from the \$500,000 penalty.

Kevin O'Brien then reminded the Board that it may want to authorize him to sign the agreement that was voted above regarding the extension of the building permit date. Bruce Fitzsimmons moved and Roland Chaput seconded that Kevin O'Brien be authorized to sign the letter agreement amending the Land Disposition Agreement to extend the deadline for SRA to obtain building permits at the Symmes site. The Board voted 5 to 0 to approve.

Andy West then suggested the Board take up the agenda item concerning McClennen Park. Kevin O'Brien explained that McClennen Park remains under the jurisdiction of the ARB because it was the Town body assigned to redevelop the site. It is now appropriate to turn it over to Parks and Recreation which will require a Town Meeting vote. The Parks and Recreation Commission has given the Board a list of concerns it would like addressed before this happens. Kevin O'Brien then went over the list, commenting on each item and told the Board he would follow up on some of the items and refer others to their proper Town entity. He said he would keep the Board posted on progress.

At 8:30 Andy West opened the discussion on possible Town Meeting warrant articles. Kevin O'Brien reviewed the memo he had prepared on each article, suggesting a way to proceed with each. The Board agreed to have a workshop session on overlay districts to get a better idea of how that tool might be used. The Board asked for further information on several proposed articles.

Andy west indicated that he had to change the date of the Board's annual meeting. He suggested November 5th or 6th. Kevin O'Brien asked that after checking their calendars, members email him their preferred date and he would notify all.

Jim Doherty then asked if the Board was going to take up old and new business. Andy West replied that it was not on tonight's agenda.

The Board adjourned at 9:20 pm.

Respectfully submitted,
Kevin J. O'Brien